

## **06/12/2008 - Budget Committee Minutes**

### **Hopkinton Budget Committee**

Town Hall

June 12, 2008

**Present:** Karen Irwin, Chair; Scott Flood, Alternate Selectmen Representative; Patrice Gerseny; David Lancaster; Tom O'Donnell, HVP Representative; and Marion Paxton. Danny Coen arrived at 7:10 pm.

**Absent:** Cameron Ford, David Luneau, School Board Representative and Bob Carpenter, CVP Representative.

Chairperson Irwin announced that the School Board has a scheduling conflict because of the change of meeting date, but a representative is expected to join the meeting later.

The meeting was called to order at 6:46 pm, by Chairperson Irwin.

Marion Paxton questioned the changed meeting date and the adequacy of notification. Chairperson Irwin stated there is no assistant chairperson, so she had to change the date because of a personal schedule conflict. She advised the town executive secretary of the change on Monday and 2 days notice is required. The suggestion was made by Marion that an assistant chairperson be elected at the next regular meeting when all members are present.

David Lancaster requested that when a meeting must be rescheduled the town and school board representatives be contacted to be sure they can attend.

Patrice Gerseny and Tom O'Donnell indicated that they did not receive email notification of the change until Tuesday, one day before the originally scheduled meeting.

**The minutes of the April 8, 2008 were reviewed and amended.** The motion to approve was made by Marion Paxton, seconded by Tom O'Donnell. The motion was passed unanimously by all members present at that meeting with Scott Flood abstaining.

**The minutes of the May 14, 2008 were reviewed and amended.** The motion to approve was made by Patrice Gerseny, seconded by Tom O'Donnell. The motion was passed unanimously by all members present at that meeting with David Lancaster and Marion Paxton abstaining.

David Lancaster noted that the minutes of the March 8, 2008 meeting, which were approved, are still showing as Draft minutes on the website.

**Scott Flood distributed the 2008 Budget Summary for May 31, 2008.** 2007 YTD expenditures are included for comparison. This year, 40.06% of the total budget has been expended, while at this time last year, 38.36% had been expended. Discussion of individual areas of high expense followed.

The selectmen have asked department heads to look for areas to reduce expenditures.

The TAN borrowing was necessary because the town did not have enough reserve cash available to cover expenses until July tax revenue began to come in. Also, there was an error in calculating the town payment to the schools. The wrong number of months was used to calculate the town payment. An internal audit at the school department discovered the error. When the balance due was divided by the remaining months, the town payment to the school increased from \$828,487 to \$994,184 effective February 1, 2008.

Several factors cannot be controlled by the selectmen – county costs, school costs, retirement costs. These coupled with increased energy costs are a concern. Danny Coen suggested that efficiency of operations and sacrifices will be necessary. Scott Flood asserted that needs and wants will have to be defined and that we must act now. Several possible ideas were discussed. David Lancaster suggested that Zero Based Budgeting might be a way to facilitate this process. This means that all budget items start with \$0 and every expense must be justified. Patrice Gerseny suggested that the budget committee, selectmen and school committee receive training in this process, if it is to be implemented. Patrice also asked if the town representative can provide the Budget Committee with the total amount of taxes which are in arrears, including current unpaid and older past due amount which has been converted to tax liens.

Contract issues will be discussed at the next meeting.

**The Hopkinton Village Precinct report was distributed by Tom O'Donnell.**

**Al Bloomquist commented from the audience.** He suggested that the town needs to reduce employee head count and calculate full time equivalents. He also questioned the amount of and rationale for overtime.

David Lancaster asked that it be recorded that no School Board representative had joined the meeting.

The next meeting of the Budget Committee will be held on Wednesday, July 9, 2008 at 6:30 pm.

The budget committee adjourned at 8:55 p.m. The motion was made by Marion Paxton, seconded by David Lancaster and passed by unanimous voice vote.

Respectfully Submitted,

Marion Paxton

Acting Secretary